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August 20, 1997

Writer's Direct Dial Number  
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William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W. - Room 222  
Washington, D.C. 20554

Re: **EX PARTE PRESENTATION**  
**CC Docket No. 92-237**

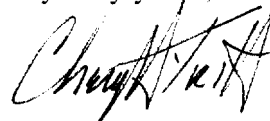
Dear Mr. Caton:

Representatives of Lockheed Martin IMS ("Lockheed Martin") today met with Kathleen Franco, legal advisor to Commissioner Rachelle B. Chong, to discuss the North American Numbering Council recommendation that Lockheed Martin serve as the new North American Numbering Plan Administrator (NANPA). Lockheed Martin representatives in attendance were Michael Dorrian and the undersigned.

Lockheed Martin focused its discussion on the attached ex parte filing submitted by Lockheed Martin on August 14, 1997. Specifically, Lockheed Martin elaborated upon its commitment to a firm, fixed price and superior quality as the third party administrator of NANPA and explained its full compliance with the NANPA neutrality requirements.

Two copies of this letter have been submitted to the Secretary of the Commission for inclusion in the public record, as required by § 1.1206(a)(2) of the Commission's rules.

Very truly yours,



Cheryl A. Tritt  
Counsel for Lockheed Martin IMS

Attachments

cc: Kathleen Franco (w/o attachments)

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August 14, 1997

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, NW  
Washington, DC 20554

Re: Ex Parte Presentation  
CC Docket No. 92-237

Dear Mr. Caton:

In its Report and Order, FCC 95-283, released July 13, 1995 the FCC established the North American Numbering Council (NANC) to advise the FCC and other NANP (North American Numbering Plan) countries on issues related to NANP administration and local number portability issues in the United States. A key task for the NANC was to recommend a new NANP Administrator (NANPA).

On February 20, 1997 NANC issued an RFP (Request for Proposal) to the industry for the new NANPA. Required tasks and volume assumptions were provided and a five-year, firm fixed price was requested.

After extensive evaluation, on May 15, 1997 the North American Numbering Council (NANC) recommended to the FCC that Lockheed Martin become the new NANPA. On May 19, 1997 the FCC issued a Public Notice seeking comments on the NANC's recommendation of Lockheed Martin.

A review of the Comments, Replies and Ex Parte filings submitted in response to the Public Notice by various interested industry segments suggests some misunderstanding remains about the NANC recommendation process as well as Lockheed Martin's commitment to the NANPA RFP requirements.

Although Lockheed Martin has outlined its position in Reply Comments filed on July 3, 1997 we believe that it is important to reaffirm our commitment to the NANPA requirements in order to alleviate any remaining questions concerning our assumption of the NANPA responsibilities. A copy of this reaffirmation - *"Lockheed Martin's Corporate Commitment Statement to the North American Telecommunications Industry"* is attached.

Two copies of this letter have been submitted to the Secretary of the Commission for inclusion in the public record, as required by Sec 1.1206(a)(2) of the Commission's rules.

Sincerely,



Jeffrey Ganek  
Senior Vice President and Managing Director  
Communications Industry Services  
Lockheed Martin IMS

cc: Kathie Levitz  
Marian Gordon  
Geraldine Matise  
Erin Duffy

## Lockheed Martin's Corporate Commitment Statement to the North American Telecommunications Industry:

### Firm Fixed Price

**Background:** As requested by the NANC in its Requirements Document, Lockheed Martin submitted a five-year, firm fixed price to perform the tasks of the NANPA. Baseline volume assumptions were provided in Attachment 2 of the Requirements Document.

**Commitment:** Lockheed Martin affirms its quoted price and is committed to superior quality and the neutral, third party administration of the NANP. We will provide the necessary staff and systems required in a timely, proactive fashion to meet our responsibilities as the new NANPA. Under the firm fixed price bid, Lockheed Martin assumes the business risk if it has underestimated the level or duration of staffing and other expenses and will not seek additional compensation for baseline business operations. Baseline volume commitments include: 1) 10,000 CO Codes per year; 2) Thirty to forty new NPAs per year (equivalent to fifty to seventy NPAs in relief per year); and 3) Twelve public and industry meetings per new NPA.

### Intellectual Property Rights

**Background:** Although not specified in the original Requirements Document, the NANC requested bidders to provide for a no cost Intellectual Property Right (IPR) transfer to any successor NANPA.

**Commitment:** Lockheed Martin agreed at the May 14, 1997 NANC Meeting to make available NANPA-related intellectual property free of charge to any successor NANPA. Lockheed Martin affirms that it will make available, free of charge, any and all Lockheed Martin proprietary application software used at the time of transition for NANP administration and operation, to any NANC-designated successor. Our proprietary applications software will operate in an environment consisting of commercial-off-the-shelf (COTS) operating systems, databases and computer hardware. The overall system will run on an existing Lockheed Martin computing and networking infrastructure, as upgraded by COTS components during Lockheed Martin's term as NANPA.

### Regional Service Centers

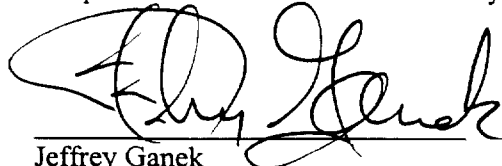
**Background:** In its original RFP response, Lockheed Martin proposed operating NANPA from a centralized location, but indicated it would consider distributing its personnel across three existing Lockheed Martin facilities to optimize familiarity with local service and regulatory requirements. This modification would have been done without any proposal price increase.

**Commitment:** Lockheed Martin will assign its NANPA personnel among three existing Lockheed Martin offices (East Coast, Midwest and California). These regional presences will facilitate: 1) Knowledge of local CO Code, NPA relief and regulatory issues; 2) Recruiting a diversified and experienced staff; and 3) Minimization of travel requirements and expenses. This modification will be done at no additional expense to Industry.

### Neutrality

**Background:** A key requirement of the NANPA is that it not unduly favor or disfavor any particular industry segment, technology or NANP country.

**Commitment:** In adopting its recommendation, NANC found Lockheed Martin to be fully compliant with the NANPA neutrality requirements. Lockheed Martin unconditionally commits to continued compliance with the NANPA neutrality requirements during its five-year NANPA term.



Jeffrey Ganek  
Senior Vice President and Managing Director  
Communications Industry Services  
Lockheed Martin IMS

1. Add the following sentence to the end of section 52.7(b):

Area Code Relief includes jeopardy planning where central office codes may become exhausted before an area code relief plan can be implemented.

2. Add a new section 52.7(f):

**52.7(f).** The term "*Billing & Collection Agent*" ("*B&C Agent*") refers to the entity responsible for the collection of funds from the United States Telecommunications industry and NANP member countries.

3. Add a new section 52.12 as follows:

**52.12. North American Numbering Plan Administrator and B&C Agent.** The North American Numbering Plan Administrator ("NANPA") and the associated Billing and Collection Agent ("B&C Agent") will conduct their respective operations in accordance with these rules. The NANPA and the B&C Agent will conduct their respective operations with oversight from the Federal Communications Commission (the "Commission") with recommendations from the North American Numbering Council ("NANC").

**52.12(a). Neutrality.** The NANPA and the B&C Agent shall be non-governmental entities that are impartial and not aligned with any particular telecommunication industry segment.

Accordingly, while conducting their respective operations under these rules, the NANPA and B&C Agent shall ensure that they comply with the following neutrality criteria:

- 1) the NANPA and B&C Agent may not be an affiliate of any telecommunications service provider(s) as defined in the Telecommunications Act of 1996. "Affiliate" is a person who controls, is controlled by, or is under the direct or indirect common control with another person. A person shall be deemed to control another if such person possesses, directly or indirectly, (i) an equity interest by stock, partnership (general or limited) interest, joint venture participation, or member interest in the other person ten (10%) percent or more of the total outstanding equity interests in the other person, or (ii) the power to vote ten (10%) percent or more of the securities (by stock, partnership (general or limited) interest, joint venture participation, or member interest) having ordinary voting power for the election of directors, general partner, or management of such other person, or (iii) the power to direct or cause the direction of the management and policies of such other person, whether through the ownership of or right to vote voting rights attributable to the stock, partnership (general or limited) interest, joint venture participation, or member interest) of such other person, by contract (including but not limited to stockholder agreement, partnership (general or limited) agreement, joint venture agreement, or operating agreement), or otherwise;
- 2) the NANPA and B&C Agent, and any affiliate thereof, may not issue a majority of its debt to, nor may it derive a majority of its revenues from any telecommunications service provider. "Majority" shall mean greater than 50 percent, and "debt" shall mean stocks, bonds, securities, notes, loans or any other instrument of indebtedness; and
- 3) notwithstanding the neutrality criteria set forth in 1) and 2) above, the NANPA and B&C Agent may be determined to be or not to be subject to undue influence by parties with a

vested interest in the outcome of numbering administration and activities. NANC may conduct an evaluation to determine whether the NANPA and B&C Agent meet the undue influence criterion.

Any subcontractor(s) that perform (1) NANP administration and central office code administration, and/or (2) Billing and Collection functions, for the NANPA or for the B&C Agent must also meet the neutrality criteria described above.

**52.12(b). Term of Administration.** The NANPA shall provide numbering administration, including central office code administration, for the United States portion of the North American Numbering Plan ("NANP") for an initial period of five (5) years. At any time prior to the termination of the initial or subsequent term of administration, such term may be renewed for up to five (5) years with the approval of the Commission and the agreement of the NANPA.

The B&C Agent shall provide billing and collection functions for an initial period of five (5) years. At any time prior to the termination of the initial or subsequent term of administration, such term may be renewed for up to five (5) years with the approval of the Commission and the agreement of the B&C Agent.

**52.12(c). Changes to Regulations, Rules, Guidelines or Directives.** In the event that regulatory authorities or industry groups (including the Industry Numbering Committee - INC) issue rules, requirements, guidelines or policy directives which may affect the functions performed by the NANPA and the B&C Agent, the NANPA and the B&C Agent shall, within 10 business days from the date of official notice of such rules, requirements, guidelines or policy directives, assess the impact on its operations and advise the Commission of any changes required. NANPA and the B&C Agent shall provide written explanation why such changes are required. To the extent the Commission deems such changes are necessary, the Commission will recommend to the NANP member countries appropriate cost recovery adjustments, if necessary.

**52.12(d). Performance Review Process.** The NANC shall monitor the performance of the NANPA and the B&C Agent. On at least an annual basis, the NANC shall assess formally the performance of the NANPA and the B&C Agent, and, at the direction of the Commission, shall implement any remedial action necessary to correct identified problems, as deemed necessary.

NANPA and the B&C Agent shall develop and implement an internal, documented performance monitoring mechanism and shall provide such performance review on request of the Commission on at least an annual basis.

The annual assessment process will not preclude telecommunications industry participants from identifying performance problems to the NANPA, the B&C Agent and the NANC as they occur, and from seeking expeditious resolution. If performance problems are identified by a telecommunications industry participant, the NANC, B&C Agent or NANPA shall investigate and report within 10 business days of notice to the participant of corrective action, if any, taken or to be taken. The NANPA, B&C Agent or NANC (as appropriate) shall be permitted reasonable time to take corrective action, including the necessity of obtaining the required consent of the Commission.

**52.12(e). Termination.** If the Commission determines at any time that the NANPA or the B&C Agent fails to comply with the neutrality criteria set forth in section 52.12(a) above or substantially or materially defaults in the performance of its obligations, the Commission shall advise immediately the NANPA or the B&C Agent of said failure or default, request immediate corrective action, and permit the NANPA or B&C Agent reasonable time to correct such failure or default. If the NANPA